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LEGISLATIVE AUDIT DIVISION

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MEMORANDUM

TO: Legislative Audit Committee Members

FROM: Jim Pellegrini, Deputy Legislative Auditor, Performance Audits

DATE: September 2003

RE: Follow-up Performance Audit:
Wildlife Division (98P-11)
Department of Fish, Wildlife and Parks

INTRODUCTION

We presented our performance audit of the Wildlife Division to the Legislative Audit Committee in March 2000. The report contains 11 recommendations to the Department of Fish, Wildlife and Parks (FWP) regarding wildlife and habitat management with 12 specific suggested changes. The audit report includes six recommendations regarding wildlife management including documenting management decisions, making information available to decision-makers, monitoring progress toward meeting objectives, and formalizing and updating management plans. Four recommendations relate to habitat management including developing a scoring system for evaluating habitat projects, establishing a compliance monitoring system, evaluating habitat project effects on habitat and wildlife, and clarifying access requirements. The final recommendation relates to coordination between the wildlife and habitat programs.

We requested and received information from FWP personnel regarding progress toward implementation of our report recommendations. We then interviewed FWP personnel and reviewed related documentation to verify the implementation status of each recommendation. This memo provides background information and our conclusion on the status of implementation of those recommendations.

BACKGROUND

The department's main wildlife management activities include surveying wildlife populations and setting seasons and quotas for hunting. Surveying involves counting and classifying various species, and collection and analysis of data on the characteristics, interrelationships, and dynamics of wildlife populations. FWP biologists conduct aerial and ground surveys, data and trend analysis, check station monitoring, and discussions with landowners, hunters, and the general public. Biologists use population information and other data from the surveying process

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to determine whether changes are needed in current hunting seasons and quotas. Hunting and trapping seasons and quotas are established for all species managed by the department. Biologists make recommendations to the FWP Commission for final approval.

The department operates two programs for protecting and enhancing wildlife habitat: 1) Habitat Montana, and 2) the Upland Game Bird Habitat Enhancement Program (UGBP). Habitat Montana focuses on protecting and preserving critical wildlife habitat. The method used to accomplish this goal depends on several factors, but the department's main focus is purchases of conservation easements. The UGBP focuses on enhancing existing habitat for upland game birds. UGBP projects generally complement existing agricultural uses and try to create habitat that meets food, shelter, and nesting needs for upland game birds. The program also includes a range management (grazing rotation) component and a pheasant release component.

FOLLOW-UP AUDIT FINDINGS

The following table shows the implementation status of the recommendations made in the audit.

Recommendation Status	
Implemented	6
Being Implemented	5
Partially Implemented	1
Not Implemented	0
TOTAL	12

Based on our follow-up review, it appears most recommendations were implemented. Those recommendations that are being implemented involve situations in which improvements have been made but the process is ongoing. For the partially implemented recommendation, the department has taken related action, but has not fully addressed the intent of the recommendation. The following summarizes the implementation status of each recommendation.

Recommendation #1

We recommend the department:

A. Properly document wildlife management decisions made during the season setting process.

B. Develop a system to ensure justification forms include all necessary information, especially in relation to management objectives.

Status:

A. Implemented

The department developed a procedure for documenting decisions made during the season setting process. Biologists complete justification forms recommending changes to hunting seasons and/or quotas. Tentative seasons/quotas are provided to FWP Commission members and discussed during pubic hearings. The FWP Commission then sets final seasons/quotas. During this public meeting, the Assistance Administrator of the Wildlife Division manually tracks the

decision-making process, including changes made by the FWP Commission. These changes are documented and distributed to appropriate FWP personnel. In addition, the minutes of the FWP Commission document actions taken by the FWP Commission. Auditors were able to track changes made using the documentation maintained by the department.

In addition to the procedure mentioned above, the department developed a new regulations relational database. This database is updated after each FWP Commission meeting to reflect approved changes. The database contains season and quota information for all hunting districts, harvest information, regulations, etc. Improvements were made in other areas during development of the database. For example, the license permit type codes were standardized, and regulations were revamped to provide clarity. The database is used to print the regulations booklets, and information from the database can be downloaded to the department's Automated Licensing System, as well as to the department's website. According to program management, the database has improved the timeliness of the season setting process, and allows the department to provide critical information to decision-makers earlier in the process.

B. Being Implemented

The justification form used to document supporting information for hunting season/quota changes includes a section for management objectives. According to program management, biologists are "getting up to speed" on completion of justification forms. As the management by objective concept is used more, it will become institutionalized. The department is working toward making this a stated way of doing business.

We reviewed several justification forms and noted differences in format. More importantly, while the form includes a section for documenting management objectives, not all completed justification forms include this information.

Recommendation #2

We recommend the department evaluate the potential for using weather data to document impacts and support conclusions.

Status: Implemented

According to program management, the department included a request for funding in its 2003 budget request for a research project for use of weather data. This request was not approved. However, the department plans to continue to pursue the idea because FWP personnel support it. One of the difficulties with this type of research is it requires marked animals for data collection. The department has five research biologists who are working on projects with marked animals. There may be potential to utilize these ongoing projects, or future projects, to collect weather data.

Recommendation #3

We recommend the department establish a process to ensure statewide harvest survey data is available to decision-makers on an annual basis.

Status: Implemented
The department hired a position in 1996 with the goal of automating harvest survey data. According to program management, harvest data for all major species is up to date. Harvest data is available through the department's website. We also reviewed hardcopy harvest reports and noted reports for elk, deer, moose, sheep, goat, black bear, upland game bird, and antelope for most years between 1996 and 2002. As mentioned previously, harvest data is also integrated into the regulations database. The database reduces the time between collection and analysis of harvest information, so information is available to biologists at the time recommendations are made.

Recommendation #4
We recommend the department continue formalizing plans for species it manages.

Status: Being Implemented
The status of this recommendation is *ongoing*. The department has written, or is in the process of writing, various management plans including:

- Elk – currently undergoing a major revision.
- Upland Game Bird – currently in the works.
- Big Horn Sheep – expect to begin development soon.
- Wolf – released Final Environmental Impact Statement in August 2003.
- Yellowstone Grizzly Bear – recently completed.
- Sage Grouse – second draft.

Recommendation #5
We recommend the department modify the current annual reporting process to include monitoring and reporting on progress toward meeting objectives and strategies for achieving objectives.

Status: Partially Implemented
A new position was created for budgetary development and monitoring, and federal compliance monitoring. This new position would be responsible for monitoring federal aid reporting requirements. The department is currently recruiting to fill the position. According to program management, this position should address the substance of this recommendation. However, it is audit staff's interpretation this may only partially address the intent of our recommendation. While federal aid reporting requirements call for performance reports on specific projects, these reports may not report progress on FWP management objectives and strategies.

Wildlife personnel provide overviews of species objectives and current status at FWP Commission meetings involving decisions on strategies. During the annual season setting process, FWP personnel make recommendations on season and quota changes based, in part, on management plan objectives. In addition, the department, on an ongoing basis, reviews and updates individual species management plans. These actions address our recommendation on a case-by-case basis; however, the department has not implemented an annual reporting process on progress toward meeting management objectives.

House Bill 42, Chapter 553, Laws of 2003, requires FWP to determine the amount of habitat available for elk, deer, and antelope, and based on this acreage, determine sustainable populations. These calculations are to be conducted on a biennial basis, with population evaluations to be done annually. This law requires the department to manage these species with the objective of having populations at or below sustainable numbers by January 1, 2009, and to report this information to the public.

Recommendation #6
We recommend the department establish and implement a process for reviewing and updating management plans on a regular basis.

Status: Being Implemented
The status of this recommendation is *ongoing*. According to program management, when the department develops a management plan, the process includes establishing a future date for reviewing the plan. Upon review of several management plans, it appears these review dates are not incorporated into the published management plan. The department established the following management plan schedule:

- Elk – 2006
- Mule Deer – 2005
- Mountain Lion – 2007
- Black Bear – 2009
- Grizzly Bear – 2004
- Bald Eagle – annually (as needed)
- Swift Fox – annually (as needed)

Comparing this schedule to current activities shows that species management priorities can change. For example, the department established a schedule to review the Upland Game Bird Plan, with a sagebrush grassland focus, in 2002, but the project is only in the works as of September 2003.

Recommendation #7
We recommend the department develop a formal scoring system to document the process for selecting Habitat Montana projects.

Status: Implemented
The department implemented a statewide procedure and scoring system for prioritizing projects. The Habitat Bureau Chief evaluates each project using criteria from the Statewide Habitat Plan, with points assigned to individual criterion. Points are totaled for each project and the resulting totals determine project ranking. The Division Administrator makes the final decision on which projects to pursue. While activity under this program has been limited, documentation indicates this procedure was followed for the last round of project evaluations.

Recommendation #8
We recommend the department establish a compliance monitoring system for UGBP projects.

Status: Being Implemented
The department developed and implemented an UGBP Operations and Policy Manual in November 2002. The manual contains the following language:

> "During project implementation the Region is required to monitor work as payments are requested. No payments will be made without documentation from the Region indicating the work for which payments is being requested has been accomplished."

This policy requires each region to develop a monitoring plan for all enhancement projects. The program manager is responsible for assuring monitoring occurs. Policy goes on to outline procedures to follow if projects are in need of improvements or if cooperators do not complete required work.

We reviewed two annual monitoring reports for UGBP projects. The reports contain documentation, including photographs, of on-site visits to projects. While the monitoring reports identify the current conditions of projects, they do not indicate if and what actions were taken to address projects in need of improvements. The department continues to monitor conservation easements, using a private contractor, so we also reviewed two easement monitoring reports from 2002. These reports include a checklist of landowner compliance with easement requirements, a summary of the year's activities, and photographs taken during the on-site visit. One report noted a concern with a requirement for prior notification and the landowners were reminded of the requirement and directed to follow it when conducting future activities.

Recommendation #9
We recommend the department implement a system for evaluating habitat projects to measure the effect projects have on habitat and wildlife populations.

Status: Implemented
According to the UGBP Policy Manual, "Selected sites across the state will be used to monitor benefits derived from different types of projects." A monitoring protocol is included in policy outlining the evaluator, report format, and time period for each type of project. The department also created vegetation-monitoring levels including intensive, moderate, and light. These guidelines list methods used for collecting data on projects according to the level of monitoring.

The department has published several reports regarding habitat evaluation including:

- Statewide Browse Evaluation – July 2001
- Fluss Conservation Easement – 2001 Vegetation, Soil Surface, Photo Point and Photo Plot Data
- Cowell Conservation Easement – Photo Point Route – June 1, 2001
- Cowell Conservation Easement – Vegetation Survey – September 2001

The department appears to have a good start on measuring long-term effects of habitat projects.

Recommendation #10
We recommend the department establish policies to clarify public access requirements in each habitat program contract.

Status: Implemented
The UGBP Policy Manual has the following language:

> "Since 2001, hunter access is a negotiated part of each contract or release and can be used to prioritize projects funded by the program. All projects and releases must have conspicuous signs indicating they are in the program and instructions as to how to obtain permission to access the property."

In addition, the UGBP Policy Manual has a "draft policy" on UGBP access. This draft policy includes reference to our audit and to this recommendation. This draft policy addresses statutory language regarding open public hunting "in accordance with reasonable use limitations imposed by the landowner." One of the requirements within this policy reads:

> "The terms of allowing access may vary with the contractor however such terms will be made a part of the contract and may be renegotiated if both the contractor and FWP agree to do so."

Department applications and contract forms for habitat projects refer to the requirement for free public hunting.

Recommendation #11
We recommend the department create a system which emphasizes coordination between wildlife and habitat activities at the program level.

Status: Being Implemented
The status of this recommendation is *ongoing*. The Wildlife Division was restructured to include an Assistant Administrator position to oversee the wildlife and habitat programs. This change in administration should allow program managers to focus more on program operations, including coordination between programs. In addition, program managers believe that being in close proximity to one another will promote coordination.

Program management indicated coordination occurs on a case-by-case basis depending on a specific project. Habitat project approval requires input from wildlife program personnel. The department provided an example of a recent project emphasizing coordination between programs. FWP plans to use funds from the Landowner Incentive Program, a federal and state-match funded program, for sage grouse habitat protection. The project will require a coordinated analysis of sagebrush habitat and sage grouse distribution.

Overall Follow-up Conclusion

According to the department, development of the regulations database is a "huge" advancement in program operations since the time we conducted our audit. Based on our review, it appears this database is an improvement in program operations and should help the department address some of the concerns noted during our audit. Program management appears to have taken steps to improve documentation and provide data on a timely basis. Changes made to date should help to better document the decision-making process and increase the department's accountability.

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